



INDIANA

HomeTown Competitiveness Program

A Come-Back/Give-Back Approach to Rural Community Building



INDIANA OFFICE OF
Community & Rural Affairs
Where Rural Matters

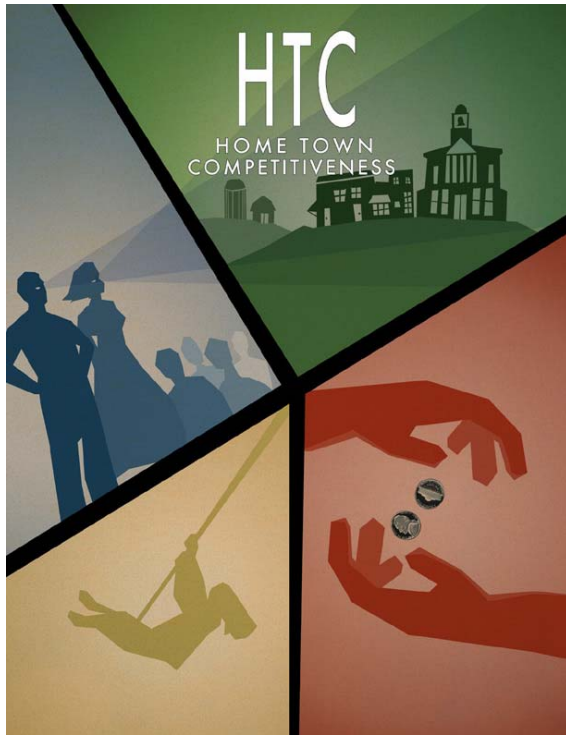


Committed to the future of rural communities.





HomeTown Competitiveness



Informational Seminar
Indianapolis, Indiana
July 17, 2007



Strategic Partnership



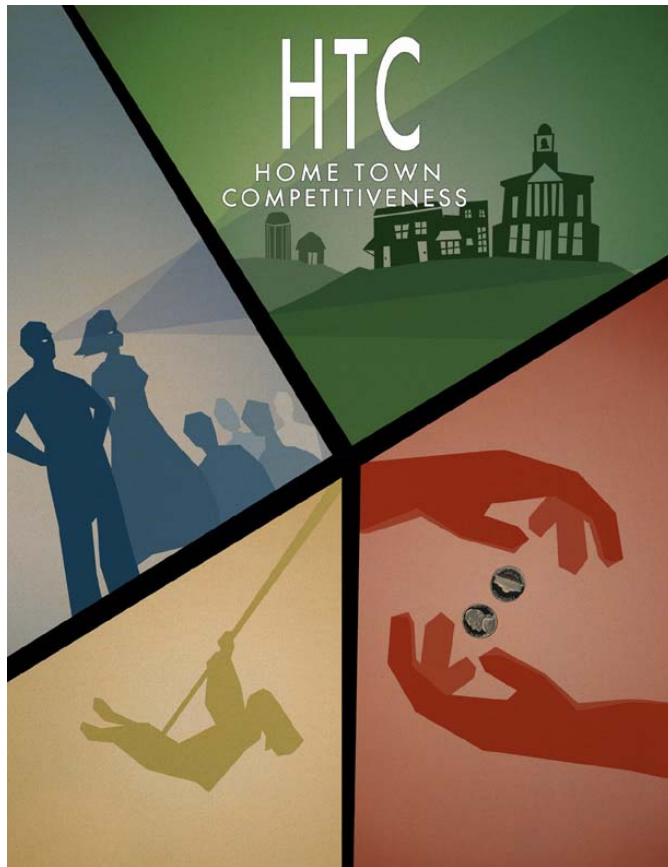
Center
for **RURAL**
ENTREPRENEURSHIP



Heartland Center for Leadership Development



HomeTown Competitiveness



Framework
for Effective
and Sustainable Rural
Community and
Economic
Development



HomeTown Competitiveness Overview

***How all the pieces fit
together for community
and economic
development***



Focused on Four Critical Issues

- Generational Wealth Transfer
- Historical Youth Out-Migration Trends
- Loss of Farms and Small Businesses
- Erosion of Leadership Capacity

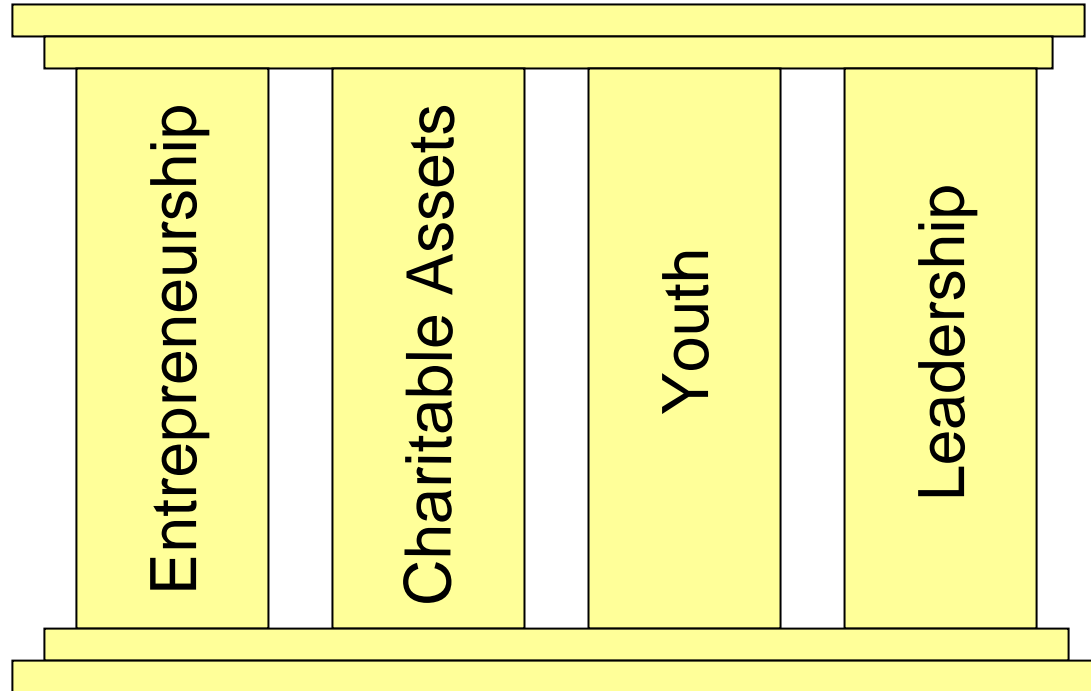


HTC Recognition

- National Rural Funders, 2003
- Community Development Society, 2004
- W.K. Kellogg Foundation, 2005
- New York Times
- USA Today



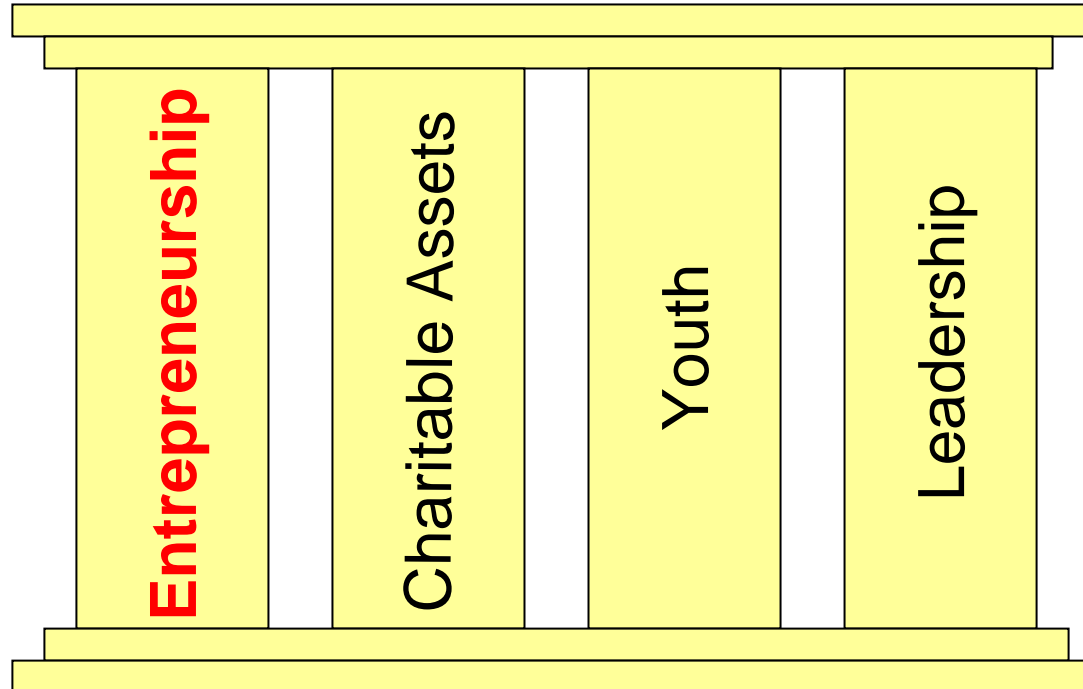
Putting All the Pieces Together...



HomeTown Competitiveness



Entrepreneurship



HomeTown Competitiveness



Entrepreneurship

Expected Outcomes

- Strategy in place for increasing local entrepreneurial business development
- Increased entrepreneurial activity within the community in private and public sectors
- New jobs and wealth being created within the community
- More current businesses retained and growing



Entrepreneurship

How does it support the HTC strategy?

- Business development creates jobs and new wealth in the community
- Assists in retaining existing businesses
- Sustains population with manageable growth
- Creates career opportunities for youth
- Entrepreneurs can provide leadership and new ideas for the community's development



Typical Strategies

- Identify Growth Oriented Entrepreneurs
- Establish Entrepreneur Networks
- Provide Coaching for Emerging Entrepreneurs
- Provide Business Transition Assistance
- Provide Access to Financing
- Develop Virtual Incubators



Case Study – Valley County Nebraska



Entrepreneurship





Case Study – Valley County

Valley County Chronology...

- 1999 – No Game Plan or Program
- 2000 – Economic Development Board
 - Staffing Proposed
- 2001 – Tax Support Passed
- 2002 – Joined HTC
 - Focused Development Goals
 - Moved Towards Entrepreneurship
- 2004 – Hired a Business Coach



Case Study – Valley County

Bottom Line Results...

- \$80 Million in New Investment
- 80 New Jobs
- More Local Support for Economic Development
- Entrepreneurship Program for Middle School Students
- New School-Community Partnerships



More Results

- Retail Sales 20%; State 16%
- Per Capita Income 21%; State 11%
- Household Income 22%; State 9%
- Population Up 3%
- Success Chronicled in New York Times
- Featured in Kellogg Foundation Report

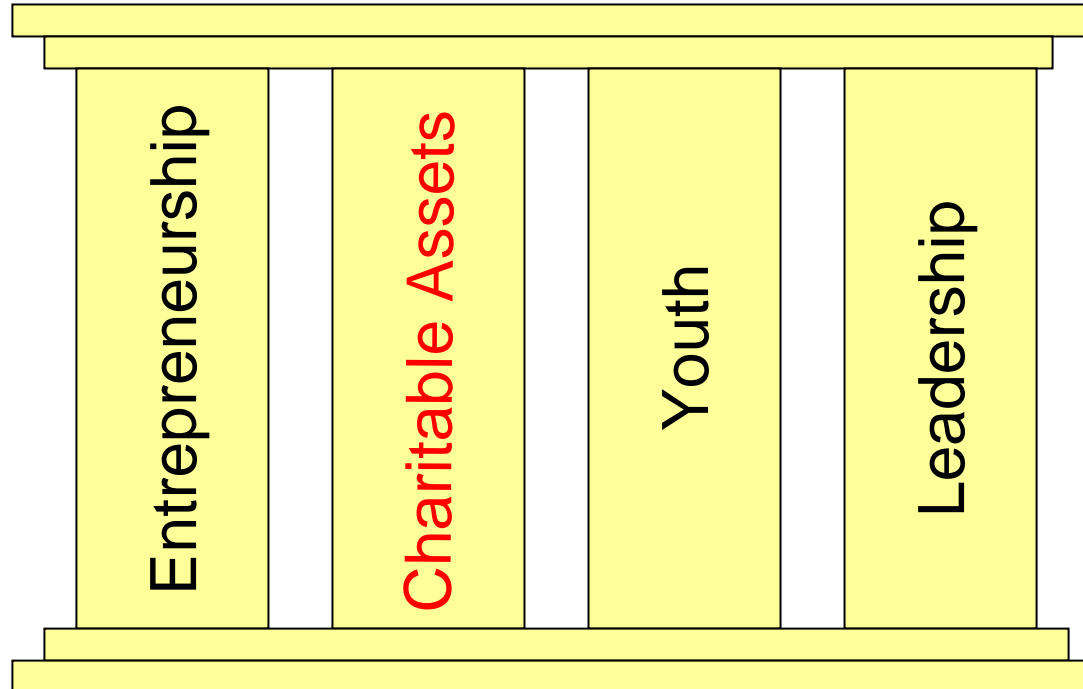


Think about someone in your community who could be considered a successful entrepreneur.

What is behind that person's success?



Charitable Assets



HomeTown Competitiveness



Charitable Assets

Expected Outcomes

- Community-based endowed assets
- Greater knowledge about charitable giving tools and resources
- Grants awarded to specific activities that will improve economic prospects for individuals and/or technical assistance and business coaching to entrepreneurs and small businesses
- Grants awarded to specific activities that will improve the likelihood that young people stay or return to their hometown



Typical Strategies

- Begin/Build Community Endowments
- Increase Capacity of Estate Planners
- Start Founders Clubs
- Begin Angel Investor Networks
- Train Donors to Ask Others
- Start Umbrella Foundations



Charitable Assets

How does it support the HTC strategy?

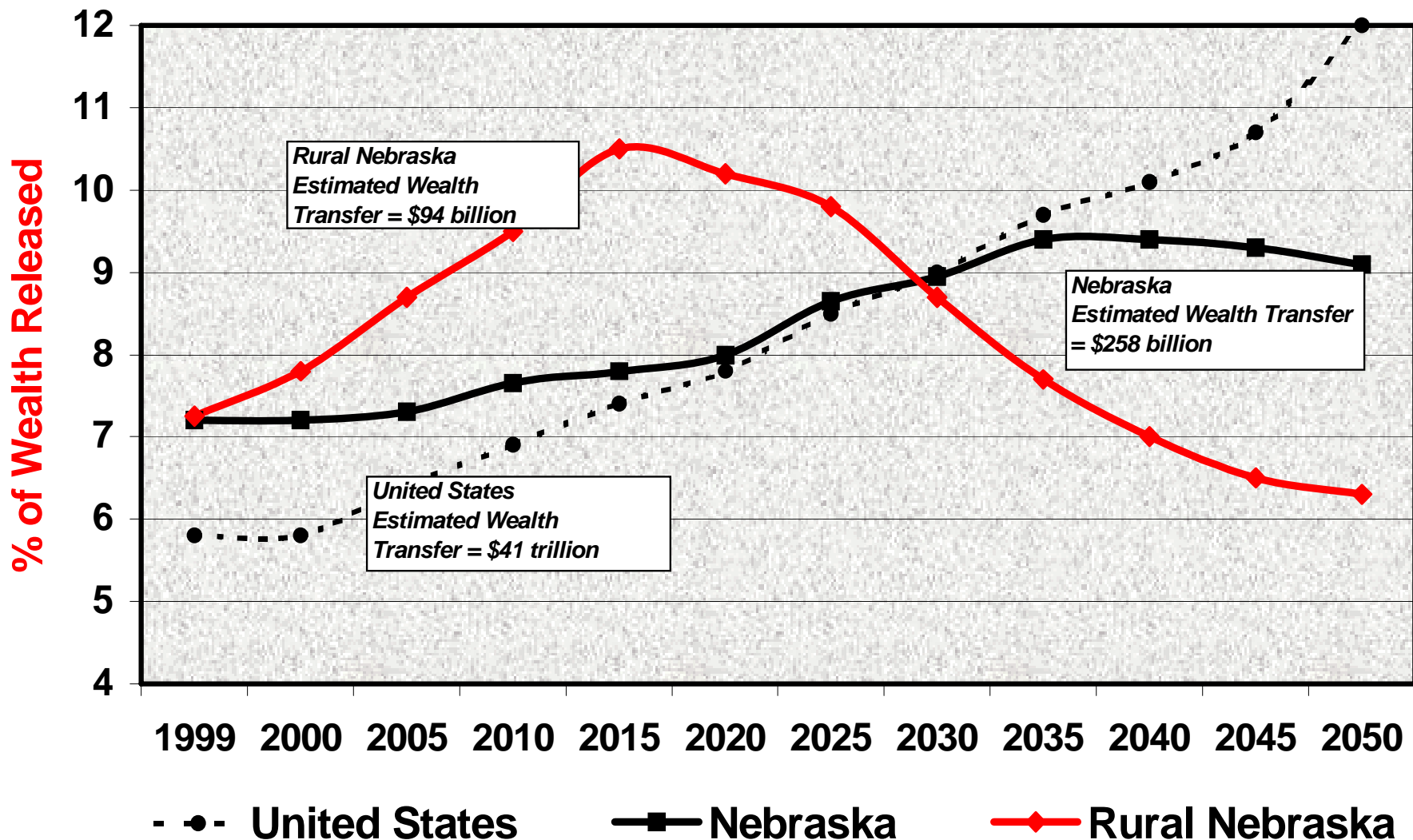
Annual earnings from endowments provide capital to invest in community priorities:

David City (pop. 2,597 – started HTC in 2004)

- Endow 5% of 10-year transfer = \$3.4 million
- David City Area Foundation: \$714,000 endowed; \$300,000 unrestricted



America's Wealth Transfer: *A Likely Scenario*





Strategic Grant-Making

Now that you have an endowment, **what difference is that going to make in the future of your hometown?**

These new assets must be invested in ways to build a better future for your hometown!



Examples of Strategic Grants

- **Non-traditional scholarships**
- **High-quality affordable day care**
- **Microenterprise loan program**
- **Build leadership with a purpose**
- **Retaining and recruiting volunteers**
- **Value-added curriculum for K-12 school**



David City

Current Grant Making...

- Leadership Program
- After-School Program
- Entrepreneurship Class at High School
- Youth Council Grant
- School Reading Program

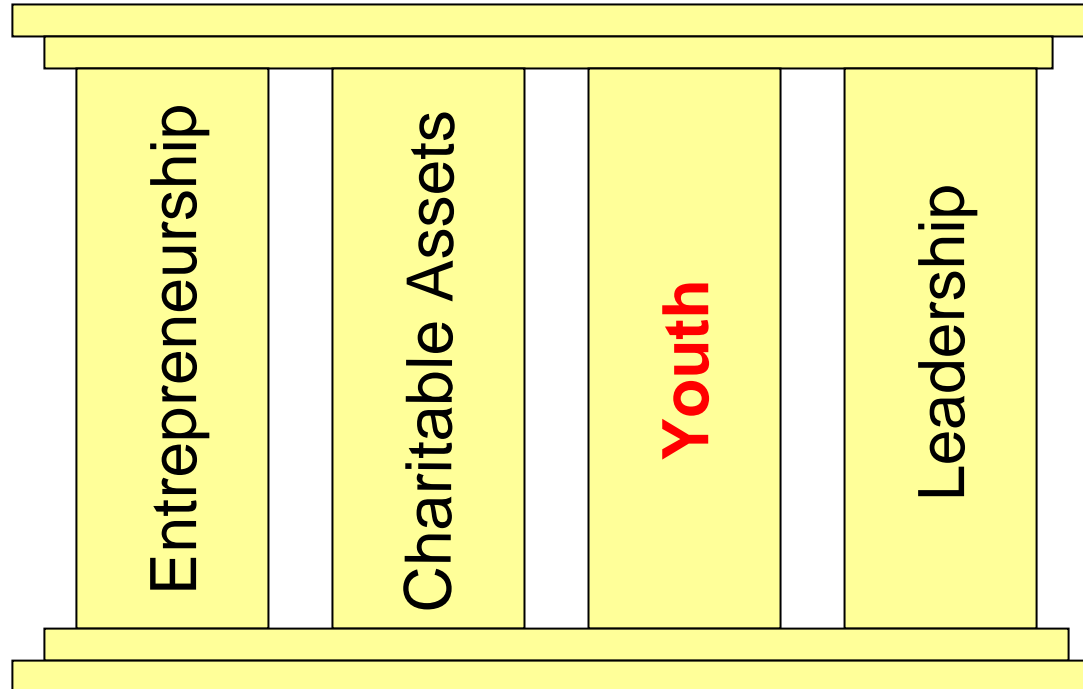


Think of a favorite charity?

**How does that charity ask for
your support? Why do you
give?**



Youth



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**Picture an adult who had a
positive impact on you.**

**Who was that adult and why did
she or he make such an impact
on you?**



Youth

Expected outcomes

- Increased number of young people working towards returning to their hometown
- Entrepreneurship curriculum and community-based learning available to more youths
- Stronger school-community partnerships in place to support shared education and community economic development goals
- Greater youth involvement in community service and leadership



Youth

How do they enhance the HTC strategy?

- Pool of young entrepreneurial talent for creating new businesses and transitioning ownership from retiring business owners
- Fresh ideas, energy and leadership
- Youth attraction can create significant wealth retention and new wealth creation over a lifetime



Typical Strategies

- Hold Youth Fairs
- Start a Youth Foundation
- Begin Internship/Mentoring Programs
- Add Youth to City Council/School Board
- Create Youth Seats on Chamber Board
- Sponsor Summer Youth Camps
- Start Entrepreneurship Classes

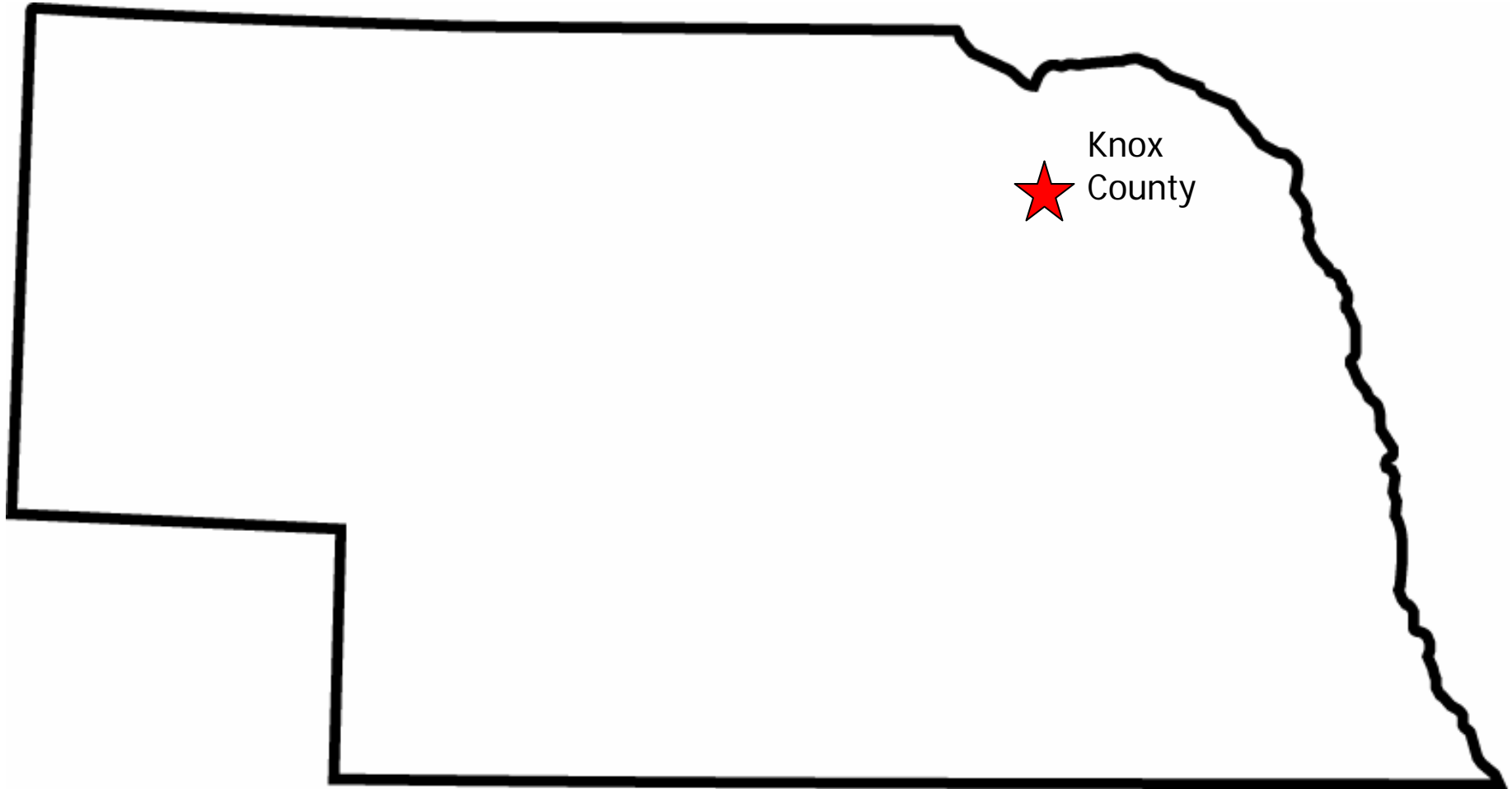


Youth Survey Results

- 50% Plus Prefer to Stay in or Return to the Area in the Future
- 44% to 55% Interested in Taking an Entrepreneurship Class
- 41% to 51% Interested in Owning Their Own Business in the Future
- 9% to 19% Own a Business Now



Youth Engagement Case Study





Thinking Outside the Box

- Core group of students with adult advisors
- Visited each school to explain goals
- Requested nominations for up to 5 students
- Ninety 9th to 11th graders attended rally
- Keynotes and interactive sessions
- 57 students signed up for specific activities
- Core group of students greatly expanded
- Adults engaging youth in positive ways



Message: There are no limits!



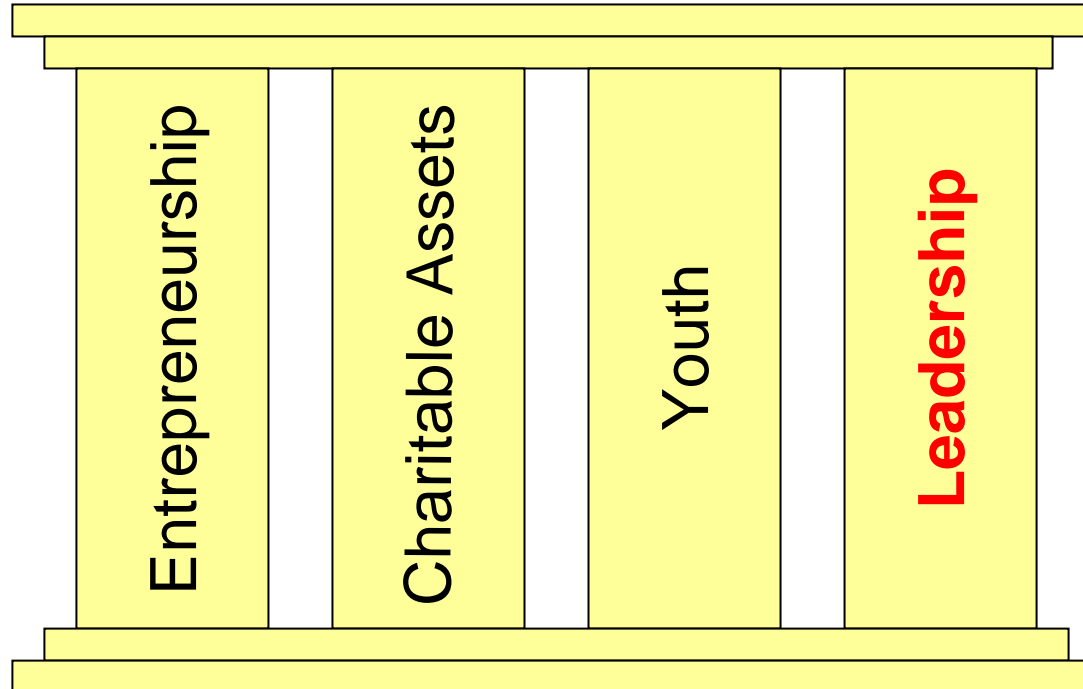


Welcome Back Home Exercise





Leadership



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Leadership

Expected Outcomes

- Increased diversity in community leadership
- Enhanced leadership knowledge and skills
- More volunteer engagement in community projects and activities
- More people willing to run for public office



Leadership

How does it support the HTC strategy?

- Expands the pool of volunteers and emerging leaders to work on HTC task forces and projects.
- Assists current and new leaders in developing their leadership skills.
- Encourages community members to participate in community planning and projects.



Typical Strategies

- Assess Leadership Strengths and Weaknesses
- Start a Leadership Development Program
- Develop Networking Opportunities
- Offer Community Exchange Options
- Develop Mentorship Opportunities
- Strengthen Social Capital



Case Study

Holt County, NE

Strengthening Local Leadership



Background

Stuart — Population 680

Atkinson — Population 1244

O'Neill — Population 3733



HomeTown Leadership Institute Started in 2003 to Diversify and Refresh Leadership Pool



Trends Included Willingness
to “Take Some Risks” to
Change Options and
Opportunities



First Year Class

Participants — 27

Ages — 16 to 60



Program

Eight 1-Day

Seminars

Class Project



As a Result...

60% Will Increase Volunteer Hours

59% Expect to Run for Public Office

100% Will Increase Donations

100% Report Increased Confidence about
Attracting New Residents



Biggest Outcome

Trust among People of
Different Communities –
“We Can Work Together”





What would be different?

**If your community's leadership
program were really effective,
what would be different?**



Indiana HTC Program Announcement